

Patent
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(IBM/0013)

REMARKS

Applicant thanks the Examiner for the time taken to conduct a telephone interview concerning the issues raised in the pending office action. This response to that office action includes those issues raised and discussed during the telephone interview.

Claim 13 stands rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Applicant has amended claim 3 to provide proper antecedent basis as the "first message." Reconsideration and withdrawal of the rejection is respectfully requested.

Claims 1, 2, 4, 5, 13, 16, 17, 19 and 20 stand rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,178,407 issued to Lotvin, *et al.* in view of U.S. Patent No. 5,708,422 issued to Blonder, *et al.*

Lotvin discloses a method and apparatus for motivating children to devote more time to educational and cultural enrichment by awarding them with points whenever they complete educational tasks. (Lotvin, Abstract). These points can then be redeemed towards the purchase of goods and services offered through the system by its commercial participants. *Id.* Parents purchase the services of the provider by signing up for the service and by providing a credit card number to pay for the services on a monthly basis and also to pay for the selections made by the children for goods and services when they cash in their points. (Lotvin, col. 2, lines 24-30). Optionally, the parents may exclude certain categories of goods from being made available to the children when the children cash in their points. (Lotvin, col. 2, lines 39-42 and col. 7, lines 1-5). For example, the parents may indicate that toys of a violent nature are to be precluded. (Lotvin, col. 13, lines 50-51). When the child is ready to cash in his earned points, the system provides a menu of purchasing choices consistent with the number of points the child has earned, the spending limit set by the parent and the parental exclusion preferences. (Lotvin, col. 13, lines 45-52). The child makes his selections and the system processes the order. (Lotvin, col. 13, lines 55-67).

Blonder discloses an automated method for alerting a customer that a transaction is being initiated and for authorizing the transaction based upon a confirmation/approval by the customer.

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(Blonder, Abstract). Blonder discloses that a computer system database may send out an alert message over a two-way pager to a customer concerning a business transaction and that the customer can then approve the transaction by sending back an authorization code to the database. (Blonder, col. 9, lines 11-31). The system disclosed by Blonder is an automated authorization system that provides a database that can both receive the authorization code from the customer and compare the code to a stored authorization code to provide automatic authorization of a transaction. (Blonder, col. 15, lines 10-27). Blonder discloses the problems that result from an inability to quickly and efficiently inform the individual customer that his customer identifier (e.g., credit card, calling card, debit card, PIN, password, etc.) is being used in a transaction for a particular purpose and the inability of the customer to respond thereto in order to confirm or deny its use. (Blonder, col. 2, lines 55). Blonder discloses an automated method to solve this problem that includes informing the customer of the pending transaction and authorizing the transaction only in response to a customer confirmation. *Id.*

Applicant claims a method and computer program product for a server to perform comprising, *inter alia*, electronically receiving a reply from the parent providing a transaction authorization and e-transaction instructions. (Claims 1 and 16).

To establish a *prima facie* case of obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 985 (CCPA 1974). All words in a claim must be considered in judging the patentability of that claim against the prior art. *In re Wilson*, 424 F.2d 1382, 1385 (CCPA 1970).

Applicant respectfully asserts that a *prima facie* case of obviousness has not been presented because neither one of the cited references teaches nor suggests that a reply message received from the parent includes e-transaction instructions. In Lotvin, the parent provides e-transaction instructions by providing the credit card number when the parent signs the child up for the educational services and provides a set amount that the child is allowed to spend on the prizes when the child cashes in his points. In Blonder, the e-transaction instructions have already been received before the message is sent to the customer because all that Blonder seeks is authorization to proceed with a transaction already started with a credit card or other similar transaction means. Lotvin does not include asking for a credit card number, account number or other e-transaction instructions

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because Lotvin has these instructions before requesting authorization for the transaction. Lotvin clearly points out that what is disclosed is an automatic authorization method and Lotvin does not suggest or teach that this system may be expanded to provide e-transaction instructions in the reply message in addition to the transaction authorization code.

Because neither of the cited prior art references suggest or teach that a response message from a parent include both a transaction authorization *and* an e-transaction instruction, a *prima facie* case of obviousness has not been presented. Applicant therefore respectfully requests reconsideration and withdrawal of the rejection of independent claims 1 and 16 as well as all claims depending therefrom.

An additional requirement for providing a *prima facie* case of obviousness is that the Examiner must provide a basis for combining or modifying the cited references. The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. *In re Mills*, 916 F.2d 680 (Fed. Cir. 1990). In the case *In re Kotzab*, 217 F.3d 1365 (Fed. Cir. 2000), the Court states:

Most, if not all inventions arise from a combination of old elements . . . Thus, every element of a claimed invention may often be found in the prior art. However, identification in the prior art of each individual part claimed is insufficient to defeat patentability of the whole claimed invention. Rather, to establish obviousness based on a combination of the elements disclosed in the prior art, there must be some motivation, suggestion or teaching of the desirability of making the specific combination that was made by the applicant.

Id. at 1395.

In the case *In re Lee*, 277 F.3d 1338 (Fed. Cir. 2002), the Federal Circuit held:

When patentability turns on the question of obviousness, the search for and analysis of the prior art includes *evidence* relevant to the finding of whether there is a teaching, motivation, or suggestion to select and combine the references relied on as evidence of obviousness.

Id. at 1343, emphasis added.

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Applicant respectfully asserts that a *prima facie* case of obviousness has not been presented because there has been no evidence provided relevant to the finding of whether there is a teaching, motivation or suggestion to select and combine the references. The Examiner has stated that it would be obvious to modify the method of Lotvin to include the Blonder process because this would provide a more flexible method in that a case by case approval can be taken of products purchased as opposed to the more rigid pre-selection of certain products by Lotvin. (Office Action, p. 3).

Lotvin only discloses that a parent may optionally exclude certain categories of goods from being made available to the children when the children cash in their points. In the standard method disclosed, the parents do not limit what goods or services their children may receive. Blonder does not disclose what products the child is purchasing, only the type of store or business that the purchase is being made. For example, the merchant code for a store may show it to be a liquor store, a hotel or a race track. (Blonder, FIG. 6). Therefore, using the method disclosed by Blonder, the parent may be informed by the merchant code that the child has selected a program from a software distributor, but the parent would not know if the software being purchased is a geography tutorial or a violent computer game. Therefore, Blonder would provide less control over the purchases being made by the child rather than more control on a case by case basis, as the Examiner states, since the service provider will not, presumably, include commercial participants such as liquor stores, hotels and race tracks.

Applicant respectfully asserts that there is no motivation to combine the cited references. Each of the references attempts to solve a different problem. Blonder attempts to solve the problem of obtaining authorization for a commercial transaction. Lotvin attempts to solve the problem of increasing the educational and cultural level of children. Neither reference suggests or teaches a solution to the problem of how to allow minors to fully but safely participate in e-commerce transactions, which is the problem sought to be solved by Applicant.

Therefore, because there is no motivation to combine the cited references, Applicant respectfully requests reconsideration and withdrawal of the rejection of independent claims 1 and 16 and the claims that depend therefrom.

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Specifically regarding claim 2 as rejected above, claim 2 includes the element of creating and sending a third message notifying the minor of the parent's response to the proposed e-transaction. In neither of the cited references can a suggestion or teaching of this claimed limitation be found by Applicant. The Examiner does not point out where in the cited prior art this reference may be found. Therefore, reconsideration and withdrawal of the rejection of claim 2 is respectfully requested.

Claims 1, 6-9 and 21-24 stand rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,178,407 issued to Lotvin, *et al.* in view of U.S. Patent No. 5,708,422 issued to Blonder, *et al.* and further in view of U.S. Patent No. 6,674,368 issued to Hawkins, *et al.* For the reasons provided in the above remarks regarding independent claims 1 and 16, Applicant respectfully requests reconsideration and withdrawal of the rejection.

Claims 1, 10-12, 14, 25 stand rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,178,407 issued to Lotvin, *et al.* in view of U.S. Patent No. 5,708,422 issued to Blonder, *et al.* and further in view of U.S. Patent No. 6,742,141 issued to Miller. Miller provides a solution to the problem of repeated computer system and software failure or instability. (Miller, Abstract). The solution disclosed by Miller is a database that contains entries with executable code that can make use of these services in order to monitor, disclose and solve specific problems. *Id.* More specifically, in FIG. 12C, Miller discloses a user interface of the customer screen where the customer can use a checkbox to enable the reporting of minor problems with the software and can use another check box to enable the reporting of all problems.

Applicant claims providing within the first message to the parent options to approve the proposed e-transaction and to reject the proposed e-transaction; to selectively reject discrete items; and to provide reasons for the parent's rejection of the proposed e-transaction and to provide the parent with hyperlinks to reviews of the products. (Claims 10-12, 14, and 25).

Applicant respectfully asserts that none of the cited references provide for the parent to select and reject certain proposed items or to provide reasons for the parent's actions, both elements claimed by Applicant. Miller simply discloses that clicking boxes are available in software form and makes no suggestion or teaching that the clicking boxes could be useful for parents to select and

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approve or disapprove specific items selected by a minor for an e-commerce transaction. No mention was found that hyperlinks may be clicked to obtain reviews of products nor does the Examiner specifically address this claimed limitation.

Because none of the cited reference teaches or suggests each of Applicant's claimed limitations, Applicant respectfully requests reconsideration and withdrawal of claims 10-12, 14 and 25.

Furthermore, there is no evidence provided as the motivation to combine the cited references. The Examiner has stated that a motivation to combine is that the combination would provide better parental control. However, this motivation to modify or combine the cited references does not flow from the references themselves, the problems sought to be solved or the knowledge of one having ordinary skill in the art but instead, comes from Applicant's specification. There being no evidence of the motivation to combine or modify the cited references, Applicant respectfully requests reconsideration and withdrawal of the rejection of claims 10-12, 14 and 25.

Claims 1, 3 and 18 stand rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,178,407 issued to Lotvin, *et al.* in view of U.S. Patent No. 5,708,422 issued to Blonder, *et al* and further in view of U.S. Patent No. 6,052,675 issued to Checchio.

Applicant would first like to note that the Examiner's Notice of References Cited does not include Checchio. Applicant respectfully requests that Checchio be cited in a future Notice of References Cited so that the reference appears on the issued patent, should one be issued.

Checchio provides a method and apparatus for pre-authorizing transactions for a credit card. (Checchio, Abstract). Linked with a credit card number in a database is a Personal Identification Code (PIC). *Id.* Whenever a consumer wishes to use the credit card, the consumer must provide both the credit card number and the PIC or the authorization for use of the credit card will not be granted by the credit card company. (Checchio, col. 4, lines 40-51). The owner of the credit card may be issued several PIC's, each having its own spending limit so that children may be given the credit card but are limited by the amount they can charge because of the PIC given to each of the children. (Checchio, col. 6, lines 41-62).

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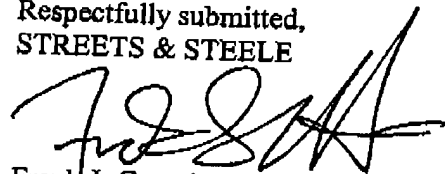
Applicant claims that the reply message from the parent comprises a credit card number for electronically funding the e-transaction. (Claims 3 and 18).

Checchio does not disclose providing an e-transaction instruction in a responding message to charge goods or services to a particular credit card that is supplied in the message. Checchio merely discloses that a PIC number may be associated with a given credit card so that when the credit card is used, the PIC must be used with the credit card for authorization, much like the common use of a debit card. The credit card number must be supplied with the PIC. This is not what Applicant claims.

Because Checchio does not suggest or teach supplying a credit card number in a return message, which is a limitation claimed by Applicant, Applicant respectfully asserts that a *prima facie* case of obviousness has not been presented. Reconsideration and withdrawal of the rejection is respectfully requested.

Applicant respectfully asserts that all claims are now in condition for allowance and respectfully requests that a Notice of Allowance be timely issued. If the Examiner believes that a telephone interview would expedite the examination of this application, the Examiner is invited to telephone the undersigned attorney at the convenience of the Examiner. In the event there are additional charges in connection with the filing of this Response, the Commissioner is hereby authorized to charge the Deposit Account No. 50-0714/IBM/0013 of the firm of the below-signed attorney in the amount of any necessary fee.

Respectfully submitted,
STREETS & STEELE



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